

Patents

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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APR 27 2007

In re Application of:

Rieger et al.

Serial No. 10/074,299

Filed: February 12, 2002

For: System and Method for Evaluating Real
Estate Transactions

Art Unit: 3693

Confirmation No. 6408

Examiner: K. Bartley

DECLARATION OF PRIOR INVENTION UNDER 37 C.F.R. § 1.131

1. We, Robert Rieger, Thomas Tyson Lowery, and Catherine Dunn, are co inventors of the invention claimed in Application Serial Number 10/074,299, filed February 12, 2002 and entitled *System and Method for Evaluating Real Estate Transactions* (hereinafter the "pending application"). We are over the age of eighteen and provide this Declaration freely and voluntarily, based upon our personal knowledge or information and belief.
2. The present application has been assigned to the current and sole assignee, General Electric Capital Corporation ("GECC"), as evidenced by Reel 012597 and Frame 0970 of the recordation records at the U.S. Patent and Trademark Office.
3. We, Robert Rieger, Thomas Tyson Lowery, and Catherine Dunn, were hired by GECC to, among other duties, create the invention described and claimed in the present application. The technology disclosed in the present application is generally referred to at GECC as the Digital Deal Screen (DDS). The technology disclosed and claimed in the present application has also been referred to as the Digital Deal Evaluator.

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4. We, Robert Rieger, Thomas Tyson Lowery, and Catherine Dunn, conceived of the invention claimed in the present patent application and actually reduced the invention to practice in the United States.
5. We conceived of the invention as claimed in the current pending patent application, Serial Number 10/074,299, prior to January 31, 2002.
6. During the year 2001, we prepared a Request for Proposal for information technology vendors to submit bids to assist us with building the Digital Deal Screen. The Request for Proposal contains detailed information about the features of the Digital Deal Screen and how the system would operate.
7. Throughout the year 2001, we continued to work towards building the Digital Deal Screen. In the Fall of 2001 we completed and operated a pilot version of the Digital Deal Screen for testing within GECC. In connection with the pilot version completed in the Fall of 2001, we prepared a Digital Deal Screen User Guide Demonstration Document ("User Guide"), which is attached to this declaration as Exhibit 1. The User Guide presents descriptions and images of exemplary embodiments of the claimed invention.
8. Exhibit 1 shows the following elements of Claim 1:
 - a. receiving identifying information comprising at least one of product type, collateral type, and geographic market (pages 6, 10, and 14 of the User Guide show the DDS designed to accept identifying information including a product type, a collateral type, and a geographic market);
 - b. determining whether the identifying information is acceptable (pages 6, 10, and 14 of the User Guide show an indication of whether there is a high,

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medium, or low market hurdle for the collateral based on the product type and geographic market);

- c. if the identifying information is acceptable, receiving product specific information comprising at least one of an amount of the product, a term of the product, a fee associated with the product, a collateral age, and a collateral income (pages 7, 11, and 15 of the User Guide show the DDS is designed to receive product specific information including a loan amount, a term, a fee associated with the loan, a collateral age, and a collateral income);
- d. determining a probability that the transaction will be approved based on the product specific information (pages 8, 12, and 16 of the User Guide show the results of calculations of the probability the transaction will be approved); and
- e. presenting the probability (pages 8, 12, 16 of the User Guide show a graph displaying the probability calculations).

9. The aforementioned pages of the User Guide also illustrate the elements recited in independent Claims 8, 18, and 25.

10. The User Guide also shows the following elements of Claim 35:

- a. a server computer coupled to a client via a computer network (pages 2 and 3 of the User Guide show the method for a client computer to log into the DDS intranet site hosted at a server);
- b. a transaction evaluator software module running on the server and operable for receiving data describing the transaction and calculating the price of the transaction for a range of proceed values (pages 6-8 and 10-12 of the User

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Guide show the DDS receiving transaction data and calculating price and proceed values); and

- c. a data source operable for supplying predetermined criteria for evaluating the transaction to the transaction evaluator software module (page 3 of the User Guide shows examples of data sources, such as the On-book Debt Pricing Matrix and the CMBS Pricing Matrix, that are available for the DDS).

11. We actually reduced the claimed invention to practice before January 31, 2002, working diligently from the date of conception.
12. Any use of the claimed invention as shown in Exhibit 1 was not a public use of the invention. The work in connection with Exhibit 1 was an experimental use of the claimed invention and all work was performed either internally at GFCC or under non-disclosure agreements. The claimed invention was not sold as part of any experiment.
13. I declare that all statements made of my own knowledge are true and that all statements made on information and belief are believed to be true. I acknowledge that willful false statements are punishable by fine or imprisonment or both under 18 U.S.C. §1001 and may jeopardize the validity of the application or any patent issuing thereon.

[Signature Pages Follow]

Serial No. 10074299

EXECUTION PAGE FOR ROBERT RIEGER



Robert Rieger

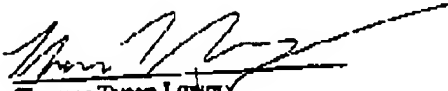
4/12/2007
Date

04/26/2007 13:03

6123/rhdbb

Serial No. 10074,298

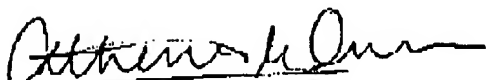
EXECUTION PAGE FOR THOMAS TYSON LOWERY


Thomas Tyson Lowery

4/26/07
Date

Serial No. 10/074,299

EXECUTION PAGE FOR CATHERINE DUNN


Catherine Dunn

4/16/2007
Date

K&S Docket: 21300.105009 US
10/2006

EXHIBIT 1

Digital Deal Screen

User Guide Demonstration Document

Robert Rieger

1

10-02-2001

Inside GE

Stock 37.59 0.05 13:29 ET Oct 02, 2001
Spotlight more stories...
GE and Honeywell Terminate Merger Agreement
See GE's New TV Commercials Airing Now
Business Week: A Q&A With Jeffrey Immelt

CapitalRealEstate.com eCommunicator eBusiness/Quality
A Word from the CEO



Spotlight
Tensai Group 20 S.W. Principal Capital Group in the Central
(more...)

announcements
LEIS
Financial Information Portal
with 2001 SEC Year 5102

Estate News

Look for
"Digital Deal Screen"
and select.

Save \$
with GE
Marketplace

Collaboration
• Study John A. Martin
• Research Collaboration Site

eCommunicator
Jump to a Section

- Intranet Sites**
- Jump to a Site
 - Corporate Real Estate
 - Corporate Footprints Dashboard
 - Cost & Productivity
 - Customer Database
 - Deals
 - Digital Cockpit
 - e-EMS
 - eBusiness/Quality
 - Engineering
 - Europe
 - Finance

my productivity center
how do I...
click here to select

- my favorites**
- Access to find
 - Check your email
 - Currency converter
 - Currency performance
 - Driving directions
 - GE acronyms
 - GE locations search
 - Get local news


Click here to add your own favorites

Have you already customized?

• Enter your e-mail below

Search Menu Trees Created

Unknown Zone



GE Capital
Real Estate

DDS Logon

Digital Deal Screen
-Logon

DDS

APPLICATION LOGON

User Name:

Password:

go

User Inputs First Name Initial and Last Name
i.e. "JSmith"

The Digital Deal Screen has been designed to provide instant feedback on a deal's approval probability.

By consolidating 5 different sources of information, Originators only need to come to one site, known as the Digital Deal Screen, to assess their deals. Originators will provide the tool with key titles of information to arrive at a probability of approval based on structure, key ratios, pricing, and proceeds - all within three screens. This information is updated as often as necessary to keep assessments as current and accurate as possible.

These sources include:

- On-bank Debt Pricing Matrix
- CMES Pricing Matrix
- Strike Zone Information
- GE Hurdle data
- Valuator Assumption Guidelines
- Credit Committee's up-to-the-minute investment opportunities

Links to the Pricing Matrixes, Strike Zone Information, GE Hurdle Data and Risk's Valuation Assumption Guidelines on the Internet.

Patsey P. / Formed and Designed by General Electric Company, 2001.

Navigation -

- 1 - Enter first initial and last Name E.g. JSmith
- 2 - Hit "go" Button

Statistics - see appendix

Shows results for
H - Hurdle Markets and
P - Probability

Deal Summary

My scenarios

Market: Product: Name:

Existing deals: Status: New deal.

Deal list: Last 30 days

Action	Market	Product	Originator	Name	Version	Saved
<ul style="list-style-type: none"> GE internal Capital and 1 SCORE Marketing & Finance RECAPITAL Real Estate.com PER On-board Credit Pricing Model CMS Pricing Mini Slab Zone Information GE Hurdle data Validation Accounting Guidelines 	Atlanta	Equity, Value Or Opportunity (1-3 yr)	Sample User	Retail Equity	1	1/2/01
<ul style="list-style-type: none"> Denwer Edi Copy 	Denver	Office	Sample User	New Deal	1	9/1/01
<ul style="list-style-type: none"> Edi Copy 	Denver	Office	Sample User	123456789 123456789 123456789 123456789 123456789	1	9/26/01
<ul style="list-style-type: none"> Edi Copy 	Denver	Office	Sample User	Copy of 123456789 123456789 123456789 123456789 1	1	9/29/01
<ul style="list-style-type: none"> Edi Copy 	Denver	Office	Sample User	Denver Office CMS	1	10/2/01
<ul style="list-style-type: none"> Edi Copy 	Denver	Office	Sample User	Mobile 1.1	2	9/26/01
<ul style="list-style-type: none"> Lee Angeles Edi Copy 	Los Angeles	Multi-family/Mobile Home	Sample User	Mobile 1.1	2	9/26/01
<ul style="list-style-type: none"> Edi Copy 	New York City	On-board Debt, (1-5 yr)	Sample User	300 Madison Avenue	1	9/25/01
<ul style="list-style-type: none"> Edi Copy 	New York City	On-board Debt, (1-5 yr)	Sample User	300 Madison Avenue	1	9/25/01
<ul style="list-style-type: none"> Edi Copy 	Richmond	On-board Debt, (1-5 yr)	Sample User	Williamsburg Shopping Center	1	3/25/01

Navigation - 1 - Under Market and 2 - Click on the Edit Button to See Deal Parameters
Screen Commentary - Can Sort / Search Deals by Market, Collateral or Deal Type. Links on Left Side of Screen
Give Dynamic Market and Pricing Data As Well As Underwriting Guidelines, and Real Estate's Pipeline Status

Relevant
Listing of
Tool/Resource
Links

CMBS - Demo

PAGE 25/41 * RCVD AT 4/27/2007 3:56:31 PM (Eastern Daylight Time) * SVR:USPTO-EFXRF-6/7 * DNIS:2738300 * CSID:404 572 5134 * DURATION (mm:ss):16:36

Denver Office CMB's version: 1

Drop down boxes provide base of input use and quick screen analysis.

Deal Details

Deal Details

Loan Specifics

Amortization

Term

Deal Purpose

Escrows

Replacement Rsvs

Debt service/yr

Lockbox

Interest only period

Asset Specific

Property Class

Tenant Profile

Location

Lease Provision

Parking

Details

Loan Size

Net after Replacement Reserves

Cap Rate

Spread (bps over Index)

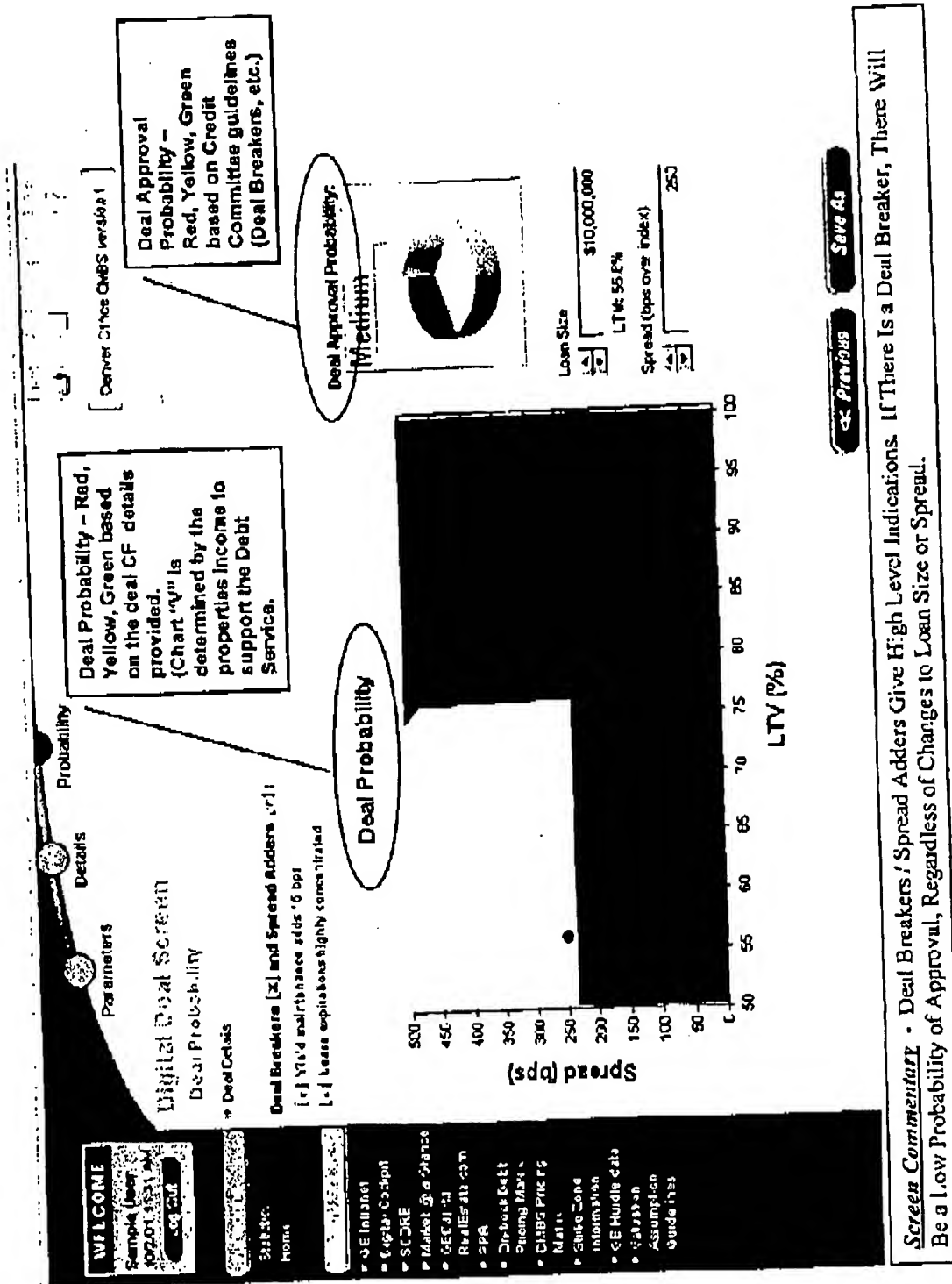
CF before Debt Service

3.5%

250

\$1,500,000

Navigation - To Move to Next (Probability) Screen, Click Either Next (Bottom of Page) or Probability (Top of Page)



On Book Debt - Demo

PAGE 29/41 * RCVD AT 4/27/2007 3:56:31 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-617 * DNS:2738300 * CSID:404 572 5134 * DURATION (mm:ss):16:36

Run Estate

WELCOME
 Search New
 1000111111
 Log Out

Statistics
 Home

• GE Interest
 • Digital Product
 • S.ORE
 • Market & a Glance
 • SEC Capital
 • RealEstate.com
 • PPF
 • Credit Card
 • Pricing Model
 • CRISIS Pricing
 • Market
 • State Zone
 • Information
 • Valuation
 • Assumption
 • Guidelines

Digital Deal Screen

Deal Details

Loan Specifics
 Amortization
 Term
 Collateralization
 Deal Purpose
 Upfront Fees
 Exit Fees
 Rate Cap
 Asset Specific
 Age of Building
 Lease-Up to Stabilization
 Anchor Quality
 5 Year Tenant Turnover
 Customer

Parameters
 Details
 Probability

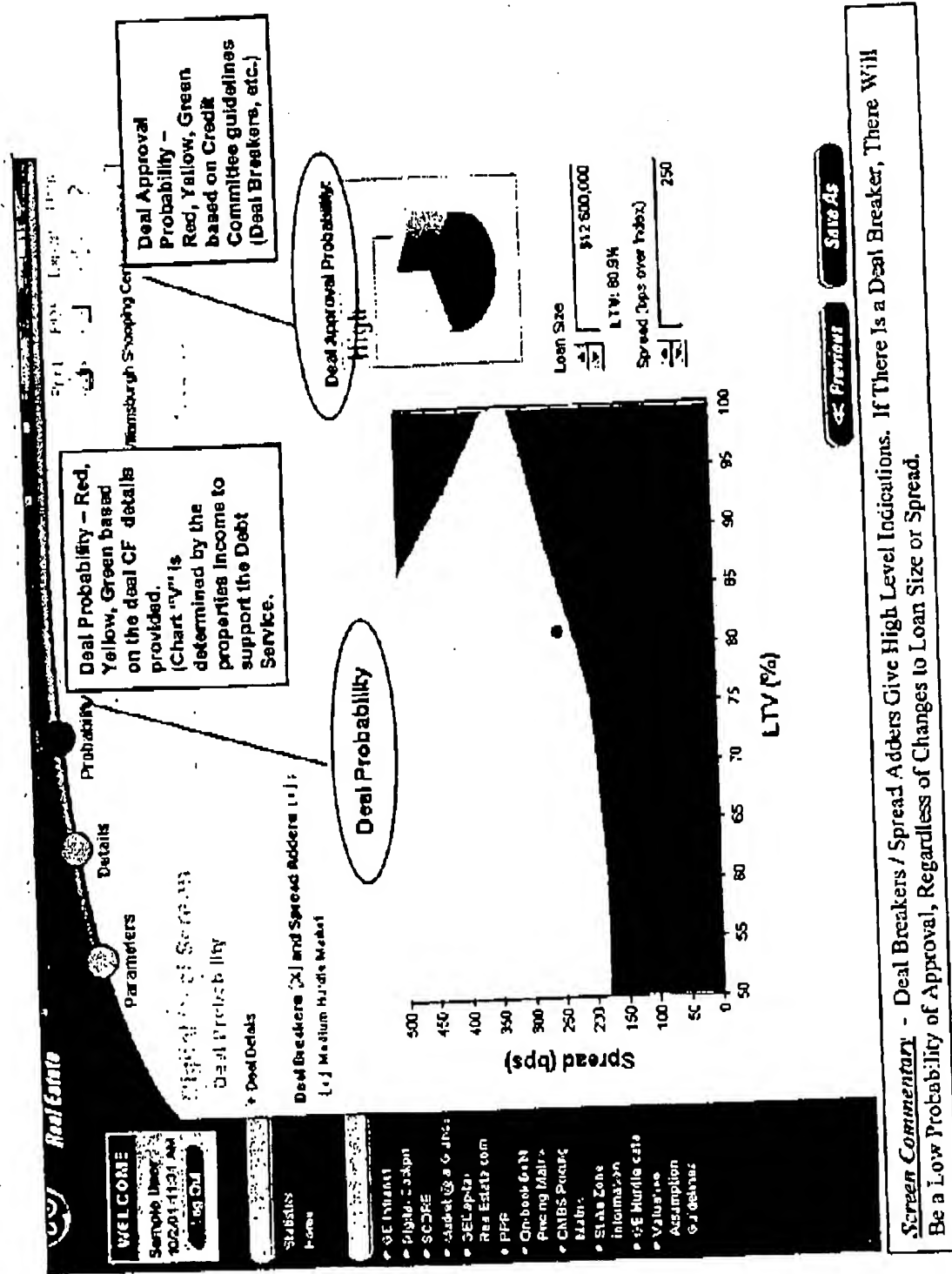
Wilmington Shopping Center Worksheet

Drop down boxes provide ease of input use and quick screen analysis.

None (Interest only)
 3 years
 Single property
 Purchase, >27% equity
 0.81-1.25%
 1.71-2.50%
 No
 10-15 yrs or major rehab over 5 yrs ago
 No lease-up required to stabilize
 Anchor related EEB or better
 21-40%
 New
 \$12,600,000
 \$1,600,000
 10.2%
 Spread (bps over index)
 CF before Debt Service
 253
 \$1,503,000

Details
 Loan Size
 NO other Replacement Reserves
 Cap Rate

Navigation - To Move to Next (Probability) Screen, Click Either Next (Bottom of Page) or Probability (Top of Page)



Equity - Demo

PAGE 33/41 * RCVD AT 4/27/2007 3:56:31 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-6/7 * DNIS:2738300 * CSID:404 572 5134 * DURATION (mm:ss):16:36

GE Capital Real Estate **DDS**

Find Deal From Map

Parameters Details Probability

Digital Deal Screen

Deal Details

Deal Specific Deal Customer Customer Experience LTV (%) Asset Specific Asset Class Location Details GEORE Equity Investment Notes

Drop down boxes provide ease of input use and quick screen analysis.

Stand alone Existing Equity Customer 1-3 deals 70-80% A WSA population > 250,000 Expected GEORE RFR 18%

\$10,000,000

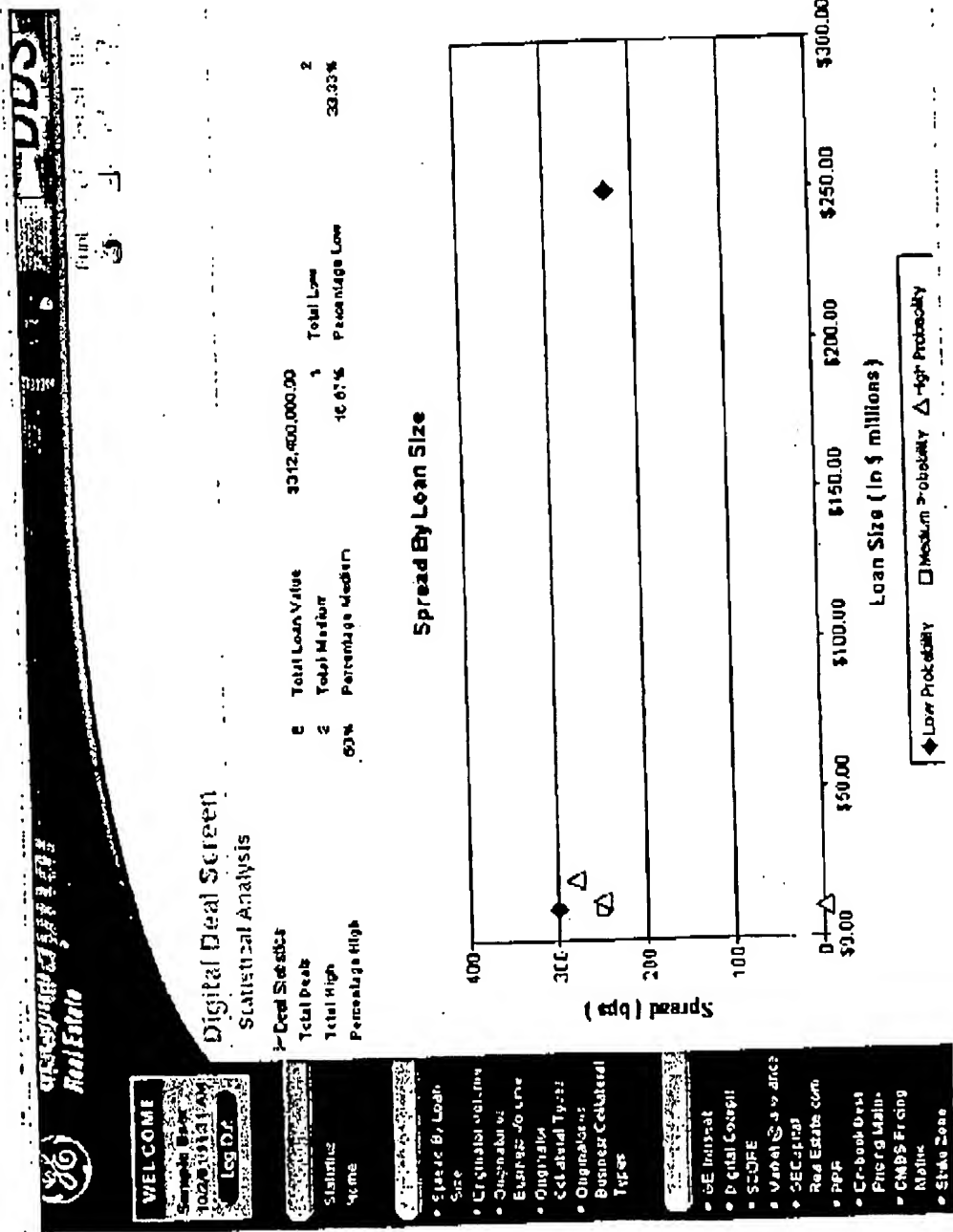
Previous Next

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Navigation - To Move to Next (Probability) Screen, Click Either Next (Bottom of Page) or Probability (Top of Page)

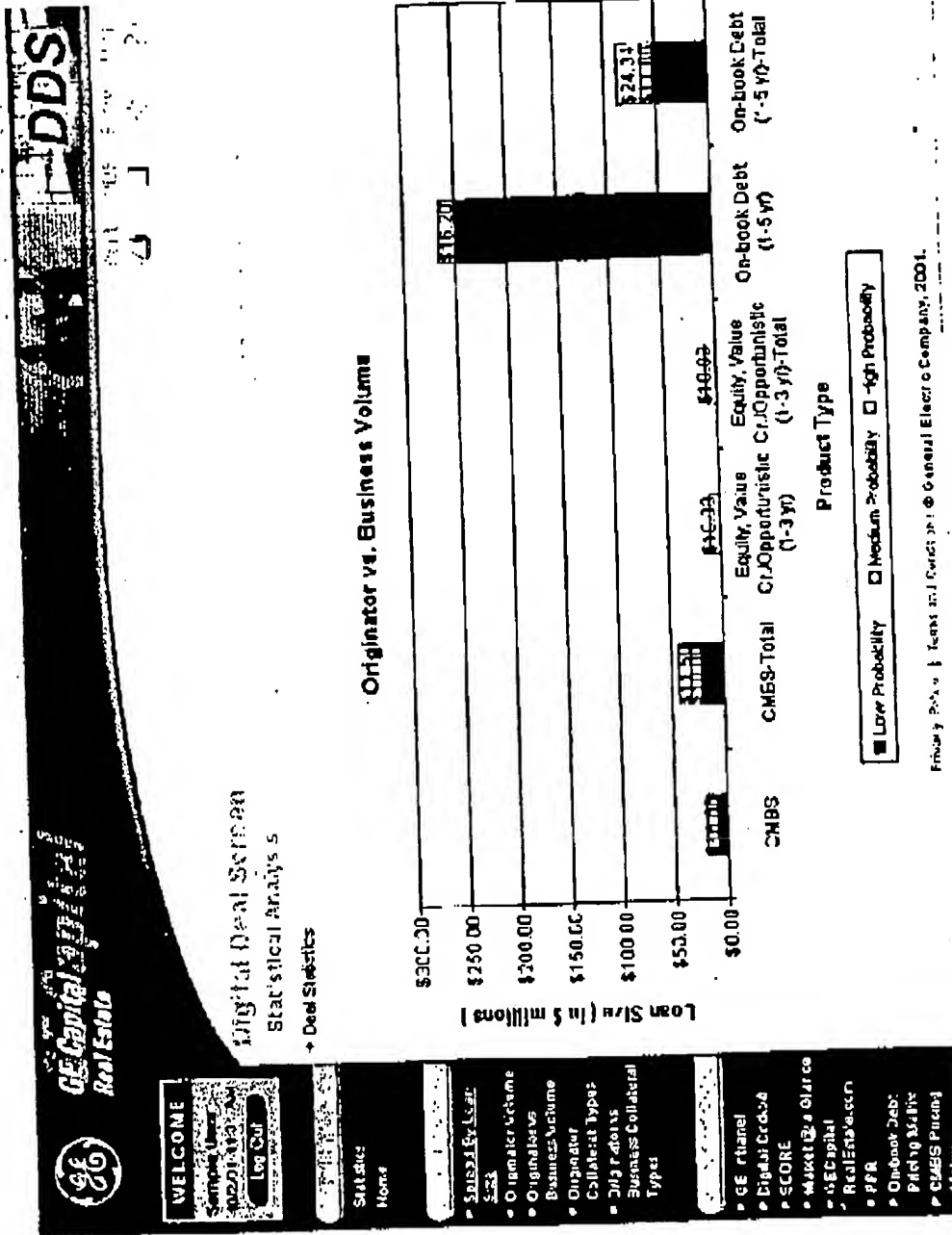
PAGE 35/41 * RCVD AT 4/27/2007 3:56:31 PM (Eastern Daylight Time) * SVR:USPTO-EFXXRF-6/7 * DNIS:2738300 * CSID:404 572 5134 * DURATION (mm:ss):16:36

Statistics Appendix

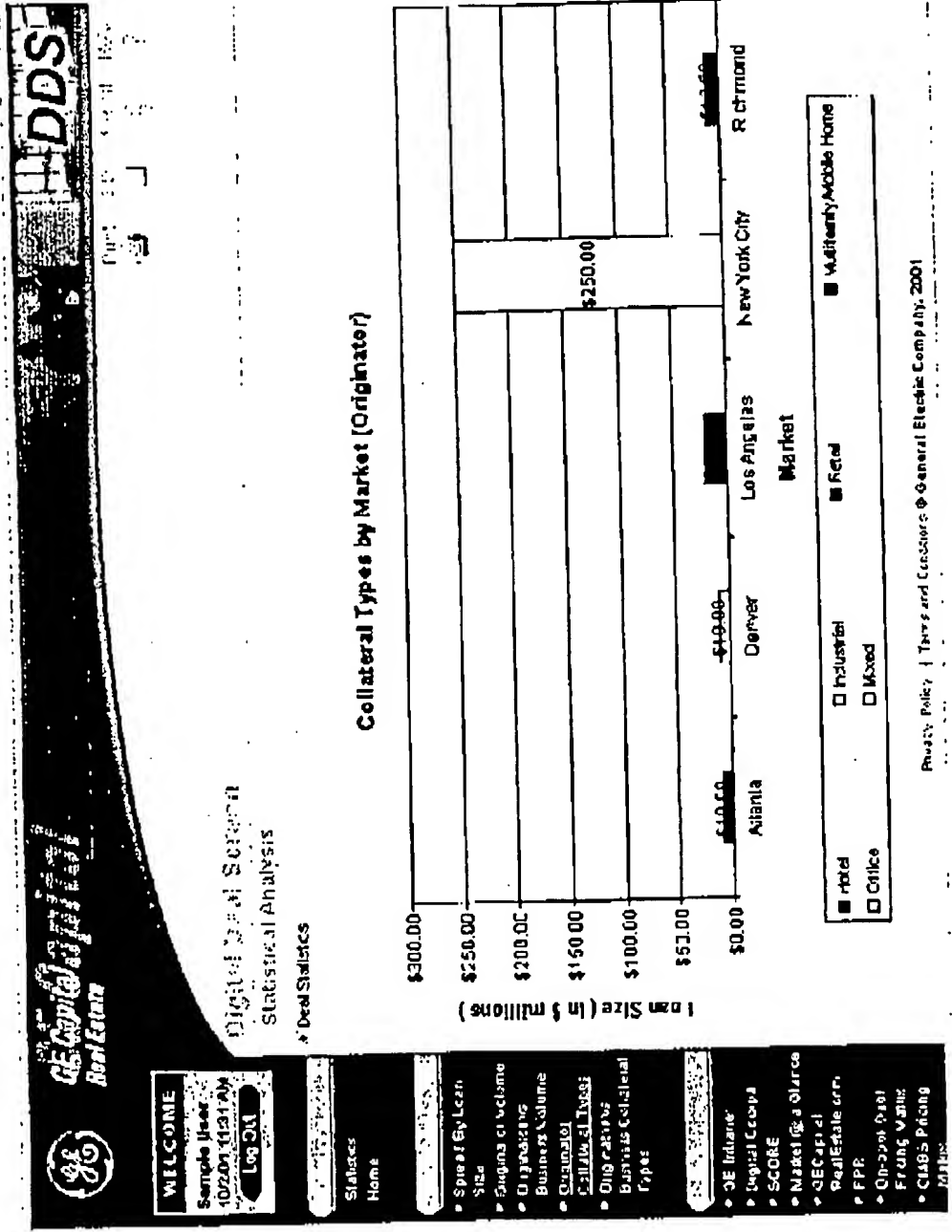


PAGE 38/41 * RCVD AT 4/27/2007 3:58:31 PM (Eastern Daylight Time) * SVR:USPTO-EFXRF-67 * DNIS:2738300 * CSID:404 572 5134 * DURATION (mm-ss):16-36

20



21



GE Capital Real Estate

DDSI

Print File Logout

Digital Deal Screen

Statistical Analysis

Deal Statistics

Collateral Types by Market (Originator Vs. Business)

Market	Hotel	Office	Industrial	Mixed
Atlanta	\$10.00	\$10.00	\$10.00	\$10.00
Dallas	\$10.00	\$10.00	\$10.00	\$10.00
Denver	\$10.00	\$10.00	\$10.00	\$10.00
Los Angeles	\$10.00	\$10.00	\$10.00	\$10.00
New York	\$10.00	\$10.00	\$10.00	\$10.00
Richmond	\$10.00	\$10.00	\$10.00	\$10.00

Legend: ■ Hotel, □ Office, □ Industrial, ■ Mixed

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